

AMENDED IN SENATE JUNE 26, 2013

AMENDED IN SENATE JUNE 5, 2013

AMENDED IN ASSEMBLY APRIL 8, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 647

Introduced by Assembly Member Chesbro

(Principal coauthor: Senator Knight)

(Coauthor: Senator Padilla)

February 21, 2013

An act to amend Sections 23012, ~~23386~~, and 25200, and 25503.7 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 647, as amended, Chesbro. The Alcoholic Beverage Control Act: beer manufacturers: containers.

(1) Existing law defines a “beer manufacturer” as any person engaged in the manufacture of beer, and requires a license or permit to manufacture beer, unless the beer is manufactured for personal or family use under specified conditions.

This bill would revise the definition of “beer manufacturer” to include only those persons that have facilities and equipment for the purposes of, and are engaged in, the commercial manufacture of beer.

(2) The Alcoholic Beverage Control Act, administered by the Department of Alcoholic Beverage Control, prescribes requirements for licenses for the manufacture, distribution, and sale of alcoholic beverages. The act requires that all beer sold in the state have a label

affixed to its package or container with the true and correct name and address of the manufacturer of the beer and the true and correct name of the bottler of the beer if other than the manufacturer. The act provides that a violation of its provisions is a misdemeanor if not otherwise specified.

This bill would require a beer label to include the brand and type of beer and would also require a beer manufacturer that refills any container supplied by a consumer to affix a label, as specified, on the container prior to its resale to the consumer. The bill would require information concerning any beer previously packaged in the container, including, but not limited to, information regarding the manufacturer and bottler of the beer, to be removed or completely obscured in a manner not readily removable by the consumer prior to resale. The bill would specify that this provision does not authorize a beer manufacturer to refill a container supplied by a consumer with a capacity of 5 liquid gallons or more. By expanding the definition of a crime, this bill would impose a state-mandated local program.

~~(3) Existing law permits a holder of a manufacturer's license to give away samples of alcoholic beverages that are authorized to be sold by the licensee under the rules prescribed by the Department of Alcoholic Beverage Control.~~

~~This bill would permit a beer manufacturer to provide free samples of beer to another beer manufacturer, brewpub operator, or its representative during a trade association or guild meeting held on the licensed premises of a beer manufacturer.~~

(3) Existing provisions of the Alcoholic Beverage Control Act, known as tied-house restrictions, generally prohibit manufacturers, winegrowers, bottlers, importers, wholesalers, and others from performing certain activities, with specified exceptions. Existing law allows any winegrower, beer manufacturer, or beer and wine wholesaler to serve food and alcoholic beverages to any person, including an alcoholic beverage licensee and his or her employees and representatives, who is attending a meeting held upon or who is visiting the premises of the winegrower or beer manufacturer.

This bill would revise this exception to allow any winegrower, beer manufacturer, or beer and wine wholesaler to serve food and alcoholic beverages for consumption on the premises to any person, including an alcoholic beverage licensee and his or her employees and representatives, who is attending a meeting held upon the premises of the winegrower or beer manufacturer. This bill would additionally

allow a beer manufacturer or brewpub-restaurant licensee to serve beer produced by the manufacturer or brewpub-restaurant licensee for consumption on the premises to attendees at a meeting held on the premises of a beer manufacturer.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 23012 of the Business and Professions
2 Code is amended to read:

3 23012. "Beer manufacturer" means any person that has facilities
4 and equipment for the purposes of, and is engaged in, the
5 commercial manufacture of beer.

6 ~~SEC. 2. Section 23386 of the Business and Professions Code~~
7 ~~is amended to read:~~

8 ~~23386. (a) Any manufacturer's, wine grower's, manufacturer's~~
9 ~~agent's, rectifier's, importer's, or wholesaler's license also~~
10 ~~authorizes the giving away of samples of the alcoholic beverages~~
11 ~~that are authorized to be sold by the license under the rules that~~
12 ~~may be prescribed by the department. A retail license does not~~
13 ~~authorize the furnishing or giving away of any free samples of~~
14 ~~alcoholic beverages.~~

15 ~~(b) Notwithstanding subdivision (a), an on-sale retail licensee~~
16 ~~authorized to sell wine may instruct consumers at the on-sale retail~~
17 ~~licensed premises regarding wines sold by the retail licensee.~~
18 ~~Notwithstanding subdivision (a), an on-sale retail licensee~~
19 ~~authorized to sell distilled spirits may instruct consumers at the~~
20 ~~on-sale retail licensed premises regarding distilled spirits. The~~
21 ~~instruction may include, without limitation, the history, nature,~~
22 ~~values, and characteristics of the product, and the methods of~~
23 ~~presenting and serving the product. The instruction of consumers~~
24 ~~may include the furnishing of not more than three tastings to any~~
25 ~~individual in one day. A single tasting of distilled spirits may not~~
26 ~~exceed one-fourth of one ounce and a single tasting of wine may~~

1 not exceed one ounce. Nothing in this subdivision shall limit the
2 giving away of samples pursuant to subdivision (a).

3 ~~(e) Notwithstanding subdivision (a), a beer manufacturer may~~
4 ~~provide free samples of beer to another beer manufacturer, brewpub~~
5 ~~operator, or its representative during a trade association or guild~~
6 ~~meeting held on the licensed premises of a beer manufacturer.~~

7 ~~SEC. 3.~~

8 *SEC. 2.* Section 25200 of the Business and Professions Code
9 is amended to read:

10 25200. (a) All beer sold in this state shall have a label affixed
11 to the package or container thereof, containing the brand and type
12 of beer, upon which shall appear the true and correct name and
13 address of the manufacturer of the beer, and also the true and
14 correct name of the bottler of the beer if other than the
15 manufacturer.

16 (b) A manufacturer, importer, or wholesaler of beer shall not
17 use a container or carton as a package or container of a beer other
18 than the beer as is manufactured by the manufacturer whose name
19 or brand of beer appears upon the container or carton, or use as a
20 package or container of a beer a container or carton which bears
21 the name of a manufacturer of beer or the brand of any beer other
22 than those of the manufacturer of the beer contained in the
23 container or carton.

24 (c) A beer manufacturer that refills any container supplied by
25 a consumer shall affix a label that complies with this section on
26 the container prior to its resale to the consumer. Any information
27 concerning any beer previously packaged in the container,
28 including, but not limited to, information regarding the
29 manufacturer and bottler of the beer, or any associated brands or
30 trademarks, shall be removed or completely obscured in a manner
31 not readily removable by the consumer prior to the resale of the
32 container to the consumer. This subdivision does not authorize a
33 beer manufacturer to refill a container supplied by a consumer
34 with a capacity of five liquid gallons or more.

35 *SEC. 3. Section 25503.7 of the Business and Professions Code*
36 *is amended to read:*

37 25503.7. (a) A winegrower, beer manufacturer, or beer and
38 wine wholesaler may serve food and alcoholic beverages *for*
39 *consumption on the premises* to any person, including a person
40 licensed under this division and his or her employees and

1 representatives, who is attending a meeting held upon ~~or who is~~
2 ~~visiting~~ the premises of the winegrower, beer manufacturer, or
3 beer and wine wholesaler.

4 *(b) A beer manufacturer or the holder of a brewpub-restaurant*
5 *license may serve beer produced by the beer manufacturer or*
6 *holder of a brewpub-restaurant license for consumption on the*
7 *premises to a person who is attending a meeting held upon the*
8 *premises of a beer manufacturer.*

9 *(c) Nothing in this provision authorizes a winegrower, beer*
10 *manufacturer, or beer and wine wholesaler to serve alcoholic*
11 *beverages that are not authorized to be produced or sold by the*
12 *licensee.*

13 SEC. 4. No reimbursement is required by this act pursuant to
14 Section 6 of Article XIII B of the California Constitution because
15 the only costs that may be incurred by a local agency or school
16 district will be incurred because this act creates a new crime or
17 infraction, eliminates a crime or infraction, or changes the penalty
18 for a crime or infraction, within the meaning of Section 17556 of
19 the Government Code, or changes the definition of a crime within
20 the meaning of Section 6 of Article XIII B of the California
21 Constitution.